

HRMN User Guide

Employee City Wage Tax Exemption Request User Guide

If an employee has worked less than 100% of the calendar year in a taxing city, they are often required by that city to provide a letter of support from their employer and file it with their tax return.

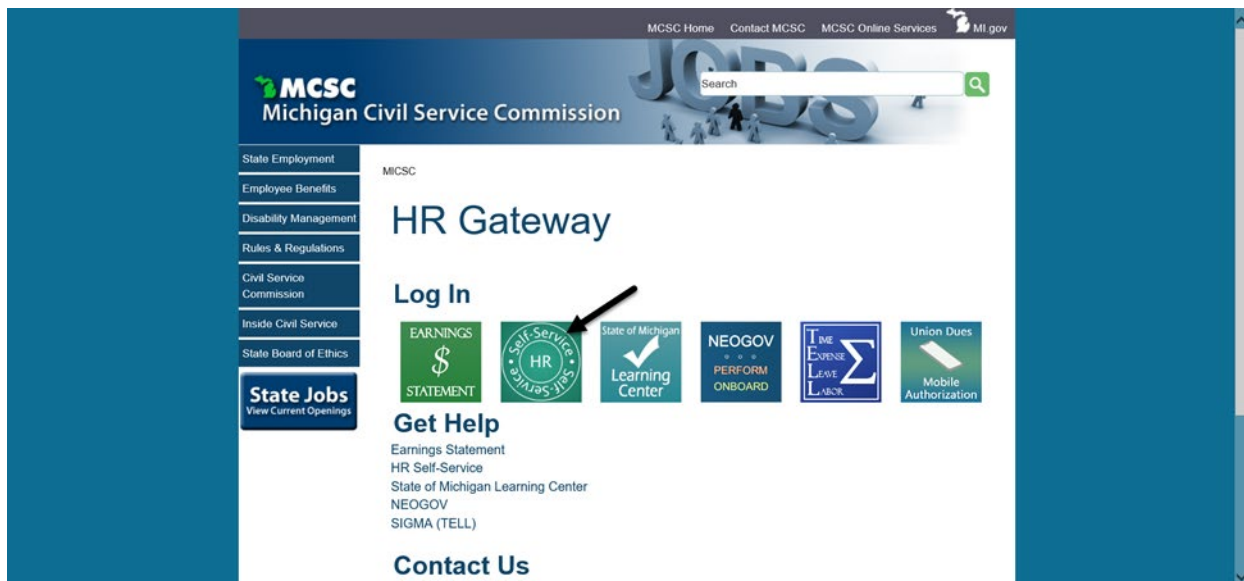
In the past this has been handled by the HR Office, however, with the COVID-19 pandemic and work from home order, the process has been automated and should now be completed by the employee and manager via HR Self-Service.

This user guide provides steps to complete your City Wage Tax Exemption Request letter via [HR Self-Service](#). Your manager will receive an email once your request has been submitted.

If your work city and resident city locations are the same (e.g., Work City=Lansing, Resident City=Lansing) you do not qualify for the City Wage Tax Exemption Letter process. This is determined by what is listed in HRMN. You can view this in your HR Self-Service account, select Bookmarks tab >Employee Self-Service > Pay > Tax Withholding. If Resident appears in the Resident Status field for the taxing work city, you do not qualify for this process.

Emails will be sent to your work and personal email addresses.

Step 1 - Log into your HR Self-Service account by visiting the HR Gateway page at www.mi.gov/selfserv.




Note: If you are having problems logging into your HR Self-Service account, select HR-Self-Service and click on the Password, Online Help or Browser Issues for assistance.


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**Michigan Civil Service Commission**



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State of Michigan Learning Center


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PERFORM ONBOARD



Union Dues
Mobile Authorization

Get Help

Earnings Statement

HR Self-Service 

- [Password](#)
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State of Michigan Learning Center

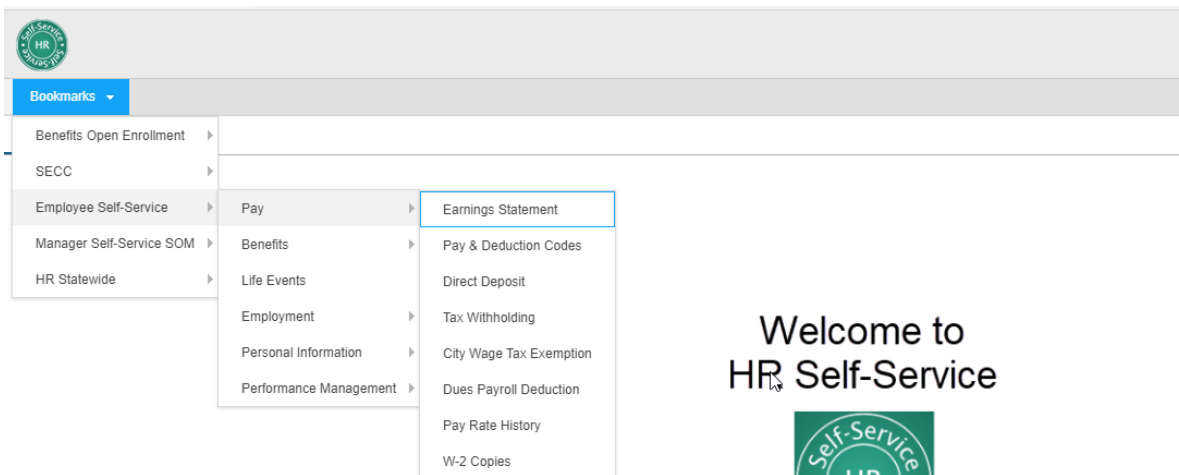
NEOGOV

SIGMA (TELL)

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Step 2 - Select the Bookmarks tab > Hover over Employee Self-Service > Pay > Select City Wage Tax Exemption

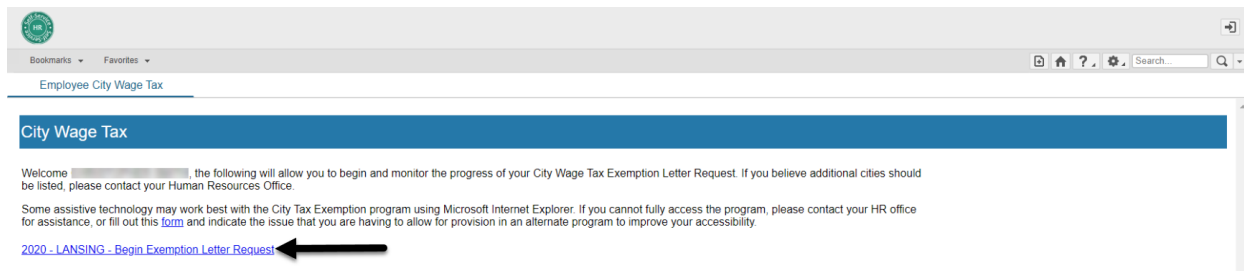


Welcome to
HR Self-Service

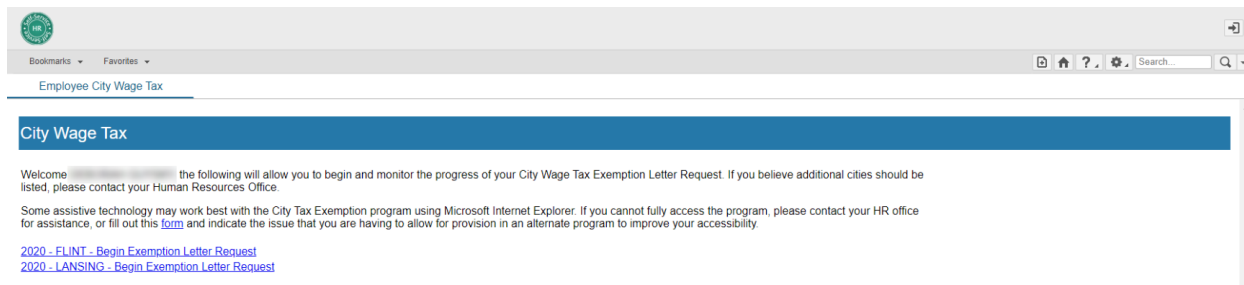
Select "Bookmarks" above to
display the menu.

Step 3 - The City Wage Tax screen will appear.

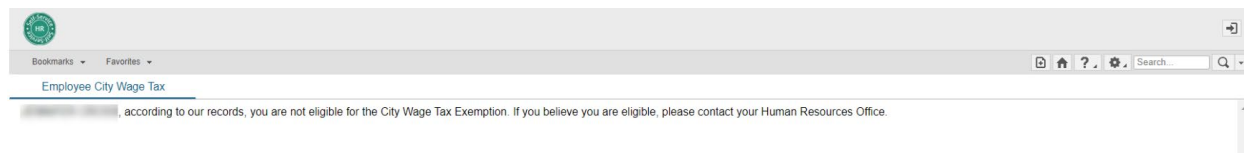
IF YOU ARE ELIGIBLE, select the *Tax Year – City – Begin Exemption Letter Request* to begin the process. This link will be available for each taxing work city in which you worked during the year.



The process must be completed for each taxing work city if a letter is needed.



IF YOU ARE NOT ELIGIBLE to use the City Wage Tax Exemption process, the message below will appear. If your work city and resident city locations are the same (e.g., Work City=Lansing, Resident City=Lansing) you do not qualify for the City Wage Tax Exemption Letter process as you are already paying the resident city tax amount. If you feel you have received this message in error, contact your HR Office.



Step 4 – The Employee City Wage Tax Letter Submission Form will appear. Enter the appropriate hours into the “Hours Worked Inside City” and “Hours Not Worked In City” fields.

The form lists the Total Hours Paid (*REG1, OVT2, PPLV, etc.*) and Total Leave Hours Paid (*ANLV, HOL1, SKLV, etc.*) within the taxing work city for each pay period.

Taxpayers are advised to consult the taxing city’s income tax forms or a tax professional for specific instructions and guidance. The information below should be considered informational only and not be interpreted as tax guidance.

Generally, a nonresident who works remotely from outside a taxing city may allocate compensation between the home and taxing cities. The allocation percentage for the share of compensation subject to taxation by the taxing city is generally determined by dividing total time actually worked in the taxing city by the total paid time worked everywhere (minus paid leave and holidays). Although pay for leave and holidays is subject to taxation, pay for that time is generally excluded when determining the percentage of compensation allocated to a taxing city.

Paid leave and holidays are generally not included in calculating the wage allocation formula as time worked within a taxing city. Taxpayers may also be required to convert hours to days when completing city tax forms.

Note: If the hours entered in the “Hours Worked Inside City” and “Hours Not Worked In City” fields do not match the “Total Hours Paid” column, the incorrect fields will be highlighted in red. The request will not submit successfully until all fields are entered correctly (hours entered must be numeric).

Once the hours have been entered in the “Hours Worked Inside City” and “Hours Not Worked In City” fields, with no errors, select Submit.

City Wage Tax Exemption

Tax Letter Submission Form

2020 Hours Worked by Pay Period for City of LANSING

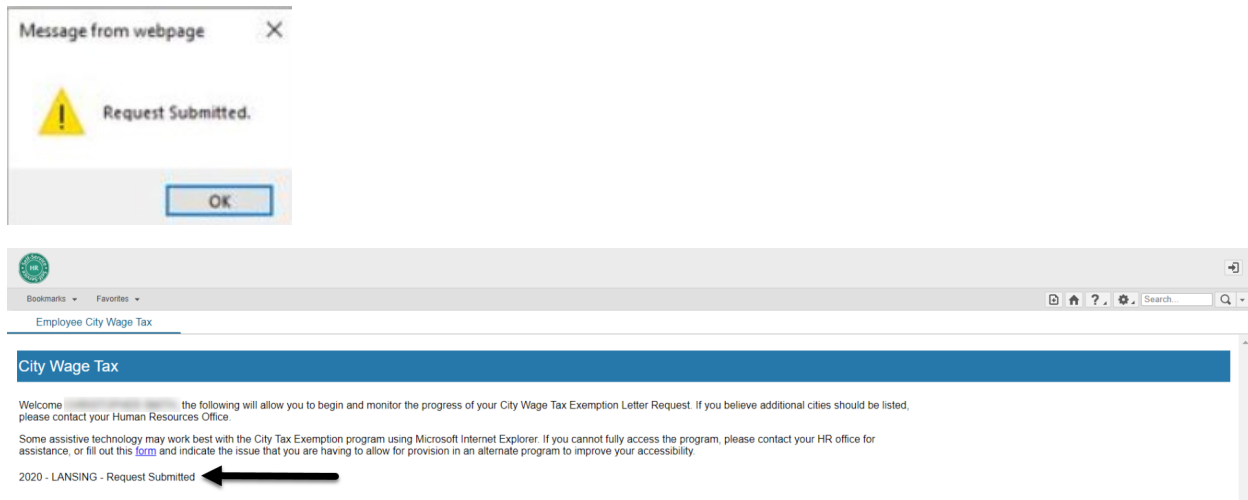
Pay Period End Date	Total Hours Paid?	Total Leave Hours Paid?	Hours Worked Inside City	Hours Not Worked In City
12/28/2019	80.00	17.00	63	17
01/11/2020	80.00	16.00	64	16
01/25/2020	80.00	8.00	72	8
02/08/2020	80.00	10.00	70	10
02/22/2020	80.00	16.00	64	16
03/07/2020	80.00	17.00	63	17
03/21/2020	80.00	0.00	40	40
04/04/2020	80.00	0.00	0	80
04/18/2020	80.00	0.00	0	80
05/02/2020	80.00	0.00	0	80
05/16/2020	80.00	0.00	0	80
05/30/2020	64.00	8.00	0	64
06/13/2020	64.00	0.00	0	64
06/27/2020	64.00	0.00	0	64
07/11/2020	64.00	8.00	0	64
07/25/2020	64.00	0.00	0	64
08/08/2020	80.00	0.00	0	80
08/22/2020	80.00	0.00	0	80
09/05/2020	80.00	0.00	0	80
09/19/2020	80.00	8.00	0	80
10/03/2020	80.00	0.00	0	80
10/17/2020	80.00	0.00	0	80
10/31/2020	80.00	16.00	0	80
11/14/2020	76.00	16.00	0	76
11/28/2020	86.00	16.00	0	80
12/12/2020	80.00	0.00	0	80

By clicking submit, I certify the changes entered for "Hours Worked Inside City" and "Hours Not Worked In City" are correct.

SUBMIT **BACK**

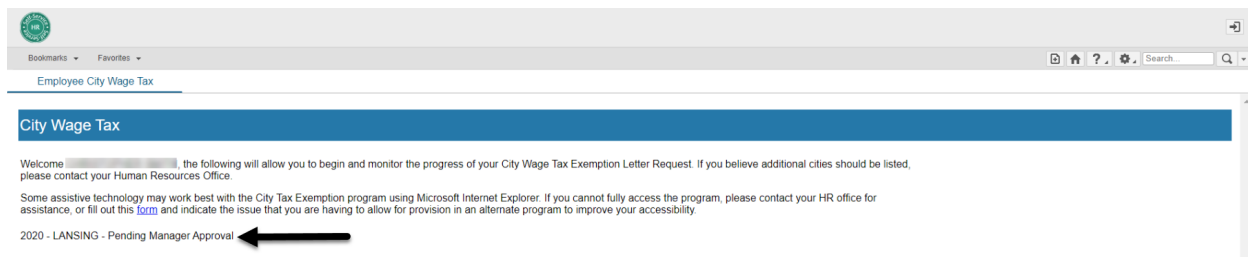
Error: "Hours Worked Inside City" and "Hours Not Worked In City" must be numeric and equal "Total Hours Paid."

Step 5 – The Request Submitted pop up box appears and you will be taken back to the City Wage Tax screen. You will see the status of your request now shows Submitted.

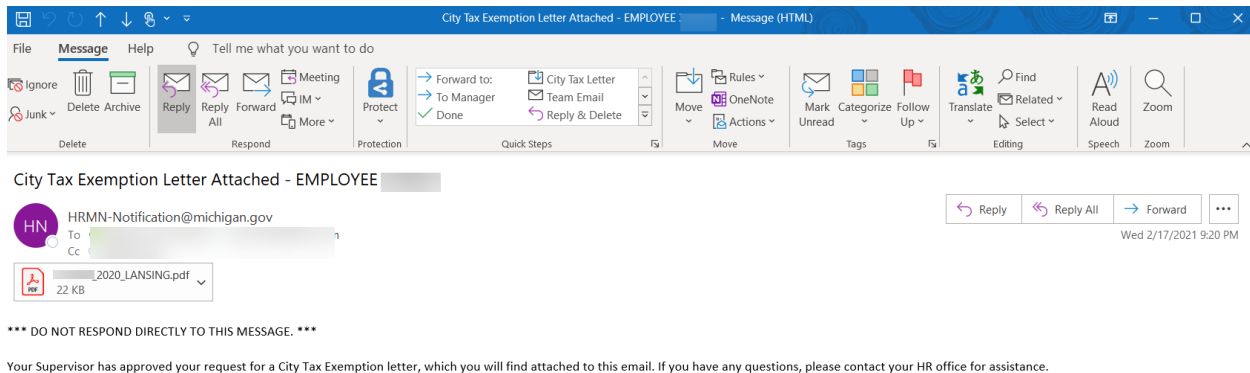


Step 6 – You and your manager listed in HRMN will receive an email approximately 20 minutes after you submit your request advising that it is ready for review. You will also be able to see when the request goes to the manager for review by checking the status on the City Wage Tax screen.

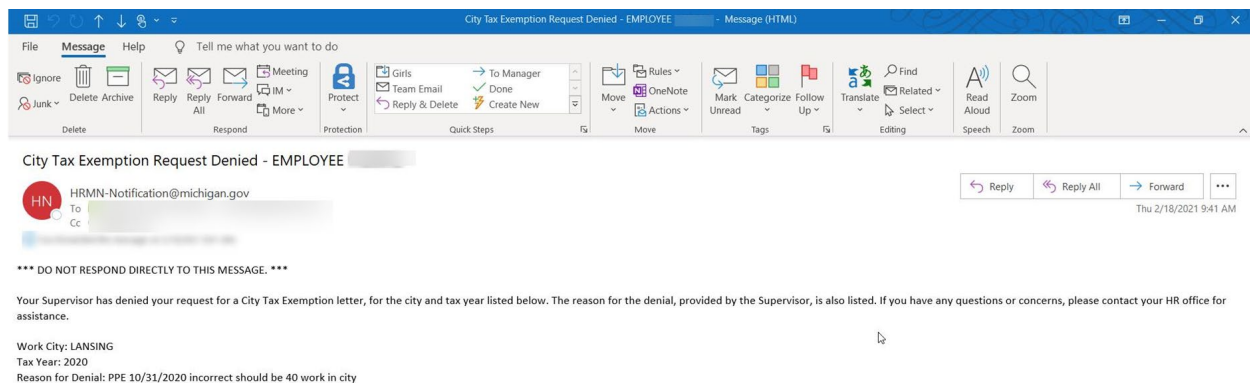
Note: If a direct manager is missing or your manager does not have an email address in HRMN, your HR Office will be notified and need to review the request.



Step 7 – Manager review. When your manager approves the request, you will receive an email approximately 20 minutes later. The exemption letter will be attached. A copy will also be sent to your HR Office.



If your manager denies the request, you will also receive an email. It will indicate the request was denied and the reason for the denial. You and your manager will need to resolve the issue for the denial or contact your HR Office for assistance. The HR Office will need to update the process once a resolution is determined.



Note: The updated status will appear on the City Wage Tax screen in your HR Self-Service account.

Step 8 – The process is complete. Below is a sample letter you will receive if your request is approved.



02/17/2021



Dear [REDACTED]:

This letter is to certify a portion of your duties were performed outside the city limits of LANSING.

The hours have been determined based on information from the payroll system and certified by your manager, during the 2020 tax year.

Actual number of hours paid by this employer:	2000.00
Vacation, holiday, sick hours, etc:	164.00
Actual number of hours worked in LANSING:	436.00

Sincerely,

[REDACTED]

Civil Service Commission

- Actual number of hours paid by this employer = total hours the employee was paid for the entire year, no matter the work location.
- Vacation, holiday, sick hours, etc. = leave hours reported by the employee while in the specified work location.
- Actual number of hours worked in (taxing city) = total of the hours approved and listed as 'Hours Worked Inside City' in the initial request

Also available is the option to log into your HR Self-Service account and request Resend Letter, which will resend the letter to your email or Print Letter to Web, which will bring the letter up on your screen to print.

Employee City Wage Tax

City Wage Tax

Welcome [redacted] the following will allow you to begin and monitor the progress of your City Wage Tax Exemption Letter Request. If you believe additional cities should be listed, please contact your Human Resources Office.

Some assistive technology may work best with the City Tax Exemption program using Microsoft Internet Explorer. If you cannot fully access the program, please contact your HR office for assistance, or fill out this [form](#) and indicate the issue that you are having to allow for provision in an alternate program to improve your accessibility.

2020 - LANSING - Exempt Ltr Available to Print [RESEND LETTER](#) [PRINT LETTER TO WEB](#) ←

If you have any questions with the City Wage Tax Exemption process, email MCSC-CityTax@michigan.gov.

Date Reviewed:	02/23/2021	Content Owner:	Holly Hibbard
Functional Area:	Production Support		